



Deutsche Securities Saudi Arabia Board of Directors Annual Report for 2025



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Deutsche Securities Saudi Arabia Board of Director's Annual Report 2025

1. Overview

Deutsche Securities Saudi Arabia (“DSSA”), licensed by the Capital Market Authority (“CMA”), is the chosen vehicle through which Deutsche Bank Group (“DB Group”) delivers securities, investment banking and wealth management activities in the Kingdom of Saudi Arabia.

DSSA is a subsidiary of Deutsche Bank AG. DSSA has no further subsidiaries.

2. The main activities of Deutsche Securities Saudi Arabia are as follows

Deutsche Securities Saudi Arabia, as a fully owned subsidiary of Deutsche Bank AG, offers a full suite of world class offering across Custody, Investment Banking and Wealth Management catering to its client base composed of institutional groups, family groups, UHNWIs:

- **Custody** is actively engaged to offer new products to its client base in close coordination with internal stakeholders and regulators.
- **Investment Banking** delivers an entire suite of advisory, risk management, financing and treasury solutions through its global and local network
- **Wealth Management** provides its client base access to innovative and registered product offerings across asset classes through funds private placements and structured products in addition to listed equities on Tadawul, which differentiates our offering from international competitors to UHNWIs

Deutsche Securities Saudi Arabia is licensed by CMA to perform the following activities:

- Dealing – Excluding Margin Lending
- Custody
- Arranging
- Advising

3. Important Plans and Decisions of DSSA in 2025

From a financial perspective, DSSA has made significant progress over the past three years towards a sustainable path to profitability. This progress has been driven by new business generated from clients in the Kingdom of Saudi Arabia, alongside disciplined cost optimisation efforts, both actively led by management.

In 2025, DSSA’s plans and actions are aligned with Deutsche Bank Group’s broader strategic priorities in Saudi Arabia, which are overarching in nature and not entity-specific. Within this context, DSSA continues to focus on strengthening its existing on-shore franchise, fully within its licensed activities and regulatory perimeter.

Accordingly, DSSA continues to invest selectively in human capital, with a strong emphasis on identifying, developing and retaining talent in the Kingdom. On the Wealth Management side, the



private banking franchise was further strengthened in 2025 through the hire of an investment manager, enhancing local investment advisory and portfolio management capabilities. In addition, DSSA continues to selectively reinforce client coverage and execution capabilities across the Investment Banking and Private Banking businesses, in support of disciplined and sustainable franchise growth.

4. Changes in the Operational results

Overall, DSSA's revenues for 2025 amounted to SAR 35.1 million as compared to SAR 29.7 million in 2024 for the year.

General and administrative expenses increased from SAR 42.6 million in 2024 to SAR 52 million in 2025.

5. Annual Audited Financials

EY conducted an external audit of DSSA's 2025 operations.

In the auditor's opinion, the accounts taken as a whole fairly present the position of the company in all material respects and comply with the requirements of regulations for companies. No significant or material matters were raised.

The auditor's report did not have any reservations on the annual financial statements.



Summarized results for years 2021 to 2025

Balance sheet	SAR (000's)				
	2025 (Audited)	2024 (Audited)	2023 (Audited)	2022 (Audited)	2021 (Audited)
Assets					
Current assets	362,945	378,169	395,393	366,817	378,070
Non-current assets	1,792	2,588	3,371	1,169	4,078
Total assets	364,737	380,757	398,764	367,986	382,148
Liabilities					
Current liabilities	43,525	58,234	74,750	44,817	47,303
Non-current liabilities	6,218	6,370	9,428	6,672	5,228
Total liabilities	49,743	64,604	84,178	51,489	52,531
Shareholders' equity	314,994	316,153	314,586	316,497	329,617
Total liabilities and Shareholders' equity	364,737	380,757	398,764	367,986	382,148

Income statement	SAR (000's)				
	2025 (Audited)	2024 (Audited)	2023 (Audited)	2022 (Audited)	2021 (Audited)
Total operating income	35,115	29,722	30,328	30,173	14,484
Expenses					
General and administration expenses	(51,970)	(42,631)	(47,554)	(48,060)	(47,142)
Total operating profit/(loss)	(16,855)	(12,909)	(17,226)	(17,887)	(32,658)
Net special commission	15,473	15,350	16,103	6,100	1,874
Exchange (Loss)/Gain	64	49	(743)	621	84
Net profit/(loss) before tax	(1,318)	2,490	(1,866)	(11,166)	(30,700)
Tax credit/(expense)	138	(416)	-	(1,192)	1,459
Net profit/(loss) after tax	(1,180)	2,074	(1,866)	(12,358)	(29,241)



6. Capital Adequacy Disclosures

In line with the pillar three disclosures requirements under the prudential rules by CMA, detailed capital disclosures are included in the DSSA financial statements for 2025.

DSSA is capitalized with SAR 315 million of tier 1 capital.

The tier 1 ratio as at December 2025 was 172.6% on a capital base of SR 315 million (FY 24 SAR 314.1 million) and capital surplus of SAR 300.4 million (FY 24 SAR 301 million).

7. Implemented Provisions of CMA Regulations

As far as we are aware, there have been no departures from applicable regulatory requirements during 2025.

8. Formation of DSSA's Board of Directors

During 2025 the Board was composed of the following individuals:

Sameer Al Hamidi	Chairman	Independent
Jamal Al-Kishi	Member	Executive
Maha Alsudairi	Member	Independent
Loic Voide*	Member	Non-Executive
Hauke Burkhardt	Member	Non-Executive
Riaan Visser	Member	Non-Executive

*Resignation date – 12 February 2025

9. Outside Directorships and Managerial roles by DSSA Board Directors

DSSA's Board Directors are on the boards or senior manager of the following companies:

Board Member	Company Name
Sameer Al Hamidi	Al Hamidi Contracting Establishment Company
Maha Al Sudairi	NUPCO - Board member, Member of Board Risk Committee Infath - Board member, Member of NRC, Member of Audit Committee Saudi Tadawul Group – Member of Governance, Risk and Compliance Committee Saudi Post - Member of Governance, Risk and Compliance Committee National Development Fund (NDF) – Member of Board Risk Committee
Jamal Al Kishi	Deutsche Bank AG: CEO Middle East and Africa Chief Country Officer- Kingdom of Saudi Arabia
Loic Voide*	Former Deutsche Bank AG Co-CEO Middle East & Africa



Hauke Burkhardt	Deutsche Bank AG – Managing Director Corporate Bank Client Advisory and Origination
Riaan Visser	Deutsche Bank AG – Regional Chief Operating Officer

*Resignation date – 12 February 2025

10. Board and committee meetings:

a. Board meeting attendance

There were 5 meetings held during 2025.

	13 March 2025	14 April 2025	4 June 2025	22 September 2025	10 December 2025
Sameer Al Hamidi	Yes	Yes	Yes	Yes	Yes
Maha Alsudairi	Yes	Yes	Yes	Yes	Yes
Jamal Al-Kishi	Yes	Yes	Yes	Yes	Yes
Loic Voide*	N/A	N/A	N/A	N/A	N/A
Riaan Visser	Yes	Yes	Yes	Yes	Yes
Hauke Burkhardt	Yes	Yes	No	Yes	Yes

*Resignation date – 12 February 2025

b. Audit Committee composition and attendance

The Audit Committee is responsible for monitoring the integrity of the company's financial statements, reviewing significant financial reporting issues and evaluating whether the company has followed appropriate accounting standards. The Committee also assesses the effectiveness of DSSA's internal controls and risk management systems, as well as the internal audit function. The Committee oversees the relationship with the external auditor, which includes making recommendations about their appointment, re-appointment, removal and remuneration, assessing their independence, approving the audit plan and reviewing the findings.

During 2025, the Audit Committee was composed of 3 persons, and their meeting attendance was as follows:

	Designation	5th Mar 2025	24 th Nov 2025
Maha Al Sudairi	Chair	Yes	Yes
Riaan Visser	Member	Yes	Yes
Hauke Burkhardt	Member	Yes	Yes

c. Nomination & Remuneration Committee composition and attendance

The Nomination & Remuneration Committee ensures the suitability of the Board's structure, which includes nominating and re-appointing directors and committee members, formulating succession plans and reviewing the Board's performance. It keeps under review the company's leadership needs and any related strategic issues that may affect the company.



During 2025, the Nomination & Remuneration Committee was composed of 3 persons, and their meeting attendance was as follows:

	Designation	12 August 2025	10 December 2025
Maha Al Sudairi	Chair	Yes	Yes
Riaan Visser	Member	Yes	Yes
Hauke Burkhardt	Member	No	Yes

11. Remuneration

Table of Disclosure of Compensations and Remunerations:

Statement	Executive Board Members*	Non-Executive	Independent Board Members
Allowance for attendance of the board of directors' sessions	-	-	-
Allowance for attendance of the committees' sessions	-	-	-
Periodic and annual Remunerations	-	-	300,000
Incentive plans	-	-	-
Any compensations or other in-kind benefits paid monthly or annually	-	-	-
Total	-	-	300,000

Figures are in Saudi Riyal

*As members of the board of directors.

* The executive and non-executive members do not receive any amounts as members of the board of directors

Statement	Five of Senior Executives who received the highest remunerations and compensations in addition to the CEO and CFO, if they are not among them
Salaries and Wages	5,768,852
Allowances	2,028,780
Periodic and annual remunerations	1,008,497
Incentive Plans	
Commissions	
Any compensations or other in-kind benefits paid monthly or annually*	1,008,497
Total	9,814,626

*The amount including end of service benefits



12. Penalties, Litigations and Provisions

DSSA was not subject to any penalties, litigations, and disciplinary measures or provisions during 2025.

13. Annual Audit: Internal Control Procedures

There was no Audit conducted during 2025. The last audit of DSSA was completed in 2024 per the Capital Market Authority (CMA)'s requirement and the report was published in December 2024.

Audit Committee is satisfied that the internal controls applied at DSSA are adequate and satisfactory.

14. Additional disclosures as per CMA requirement

1) Risk Management

As a Capital Market Institution operating in the Kingdom of Saudi Arabia, Deutsche Securities Saudi Arabia is exposed to credit and market risks. Detailed guidelines to manage these risks are in place and complied with as required.

2) Operational Risks

The company manages operational risks based on the framework adopted in Deutsche Bank Group to determine the operational risk profile compared to risk appetite and systematically identify appropriate risk mitigation measures and priorities. Information collected during the operational risk management process is used to identify demand on operational risk capital.

Operational risks are identified on daily basis in all operational risk management framework components, particularly via identifying internal losses and deriving scenarios to develop risk profiles based on triggers. The operational risk identification procedures include details of processes and requirements for identifying operational risks and roles and responsibilities.

3) Credit Risks

Deutsche Securities Saudi Arabia is exposed to a low credit risk in its business model.

4) Market Risks

Deutsche Securities Saudi Arabia is integrated in the Deutsche Bank Group global limit system, which is identified, controlled and monitored by Market Risk Management. Market risk measures are calculated centrally on a daily basis by the Market Risk Operations while exposures are monitored against established limits.



5) Loans

DSSA had a SR 14.4 m intergroup loan in 2025. This was with a related party DB Riyadh to support the provision of liquidity to business units in DSSA.

15. Disclosures by DSSA Board Directors:

a. Transactions between DSSA and its associate

Within its ordinary course of business, the Company enters into commercial transactions with affiliates, including Deutsche Bank Group Head Office, regional offices and other branches including Deutsche Bank AG, Riyadh Branch.

The company concluded agreements with Deutsche Bank AG and its branches (main shareholder) which set out the principles governing the sharing of revenues and the recovery of expenses incurred in generating such revenues.

Fees include revenues received by the company from Deutsche Bank AG and its affiliates under the agreements for sharing revenues.

Revenues and expenses related to transactions with affiliates, and which are listed in the financial statements are as follows (Saudi Arabian Riyals in '000):

	<u>2025</u>	<u>2024</u>
Income		
Fee income – Deutsche Bank Group regional offices and other branches	13,574	10,765
DB London	-	-
DB Riyadh	13,574	10,609
DB New York	-	156
Service fee income – Deutsche Bank Group regional offices and other branches	15,461	11,734
Special commission income – Deutsche Bank Group regional offices and other branches	15,461	17,365
	<u>2025</u>	<u>2024</u>
Expenses		
Charges for support services		
Deutsche Bank Group regional offices and other branches:	7,071	7,071
DB Suisse	748	1,634
DB Riyadh	1,229	265
DB London	2,257	641
DB Frankfurt	4,132	3,388
Other DB entities	3,999	1,146



The balances at 31 December resulting from such transactions included in the financial statements are as follows:

	31 December 2025	<i>31 December 2024</i>
Due from Deutsche Group regional offices and other branches	34,515	11,145
Due to Deutsche Group regional offices and other branches	22,909	44,112
Cash at bank – Current accounts	17,538	38,324
Term deposit	300,000	300,000

DSSA had loans totaling SR 14.4 million with DB Riyadh AG as at 31 December 2025. These are included within the 'Due to Deutsche Group regional offices and other branches' figure in the table above of SR 22.9 million. Of these, a total of SR 10 million expired in February 2026 and an amount of SR 4.4 million expires in April 2026. A balance of SR 10 million were renewed to June 2026. In the year SR 19.5 million was repaid of the opening loans.

b. Conflicts of Interest

The Board confirms that during 2025, neither DSSA's Board of Directors nor DSSA's CFO or senior executives of DSSA or any associated or related person to them, held any interest, contractual securities, and subscription rights in the shares or debt instruments of DSSA.

DSSA did not have any deal with any associated person.

c. Business or contracts

The Board confirms that during 2025, neither DSSA's Board of Directors nor DSSA's CFO or senior executives of DSSA or any associated or related person to them, held any interest in business or contracts where DSSA is counterparty.

d. DSSA ownership interests in other Companies:

Deutsche Securities Saudi Arabia does not have any ownership interest in any company inside or outside the kingdom of Saudi Arabia

e. Compensation waivers:

None of the board members has waived any compensation, allowance or any type of remuneration.

Sameer Al Hamidi
Chairman of the Board